

**Remarks on Health Care Reform**

*July 21, 2009*

*Defense Spending*

Good afternoon, everybody. Before I talk about the progress we're making on health insurance reform, I want to say a few words about a very important vote that just took place in Congress.

Now, long before I took this office, I argued that meeting our greatest challenges would require not only changing policies in Washington but changing the way we do business in Washington. I also promised that part of that change would be eliminating waste and inefficiency in our defense projects, reform that will better protect our Nation, better protect our troops, and save taxpayers tens of billions of dollars.

As Commander in Chief, I will do whatever it takes to defend the American people, which is why we've increased our funding for our military and why we will always give our men and women in uniform the equipment and support that they need to get the job done.

But I reject the notion that we have to waste billions of taxpayer dollars on outdated and unnecessary defense projects to keep this Nation secure. And that's why I've taken steps to greatly reduce no-bid defense contracts. That's why I've signed overwhelmingly bipartisan legislation to limit cost overruns on weapons systems before they spiral out of control. And that's why I'm grateful that the Senate just voted against an additional \$1.75 billion to buy F-22 fighter jets that military experts and members of both parties say we do not need.

At a time when we're fighting two wars and facing a serious deficit, this would have been an inexcusable waste of money. Every dollar of waste in our defense budget is a dollar we can't spend to support our troops, or prepare for future threats, or protect the American people. Our budget is a zero-sum game, and if more money goes to F-22s, it is our troops and our citizens who lose.

So I want to thank Secretary Gates for his outspoken leadership on this issue. I want to thank every Member of Congress who put politics aside to do what's right for the American military and the American taxpayers. And I particularly want to thank Senators Levin and McCain for helping to make this happen.

Now, I've also said that health care costs are the biggest drivers of our deficit. Nobody disputes that. So I'm looking forward to meeting with several Members of Congress who are working to pass health insurance reform that will bring down long-term costs, expand coverage, and provide more choice.

I know that there are those in this town who openly declare their intention to block reform. It's a familiar Washington script that we've seen many times before. These opponents of reform would rather score political points than offer relief to Americans who've seen premiums double and costs grow three times faster than wages. They would maintain a system that works for the insurance and the drug companies, while becoming increasingly unaffordable for families and for businesses.

But there are many others who are working hard to address this growing crisis. I know that there is a tendency in Washington to accentuate the differences instead of underscoring

common ground. But make no mistake: We are closer than ever before to the reform that the American people need, and we're going to get the job done. I have urged Congress to act, and the health care reform bills making their way through the respective committees in the House and the Senate reflect a hard-earned consensus about how to move forward. So let me just lay out the substantial common ground in the current bills.

We've agreed that our health reform bill will extend coverage and include unprecedented insurance protections for the American people. Under each of these bills, you won't be denied coverage if you've got a preexisting medical condition. You won't lose your health care if you change jobs, if you lose your job, or if you start a business. And you won't lose your insurance if you get sick.

We've agreed that our health reform bill will promote choice. America—Americans will be able to compare the price and quality of different plans and pick the plan that they want. If you like your current plan, you will be able to keep it. Let me repeat that: If you like your plan, you'll be able to keep it. And each bill provides for a public option that will keep insurance companies honest, ensuring the competition necessary to make coverage affordable.

We've agreed that our health reform bill will emphasize prevention and wellness. By investing in programs that help Americans live healthier lives, we will save money, prevent illness, and increase the competitiveness of our country. We've agreed that our health reform bill will protect American families from financial catastrophe if they get sick. That's why each of these bills has out-of-pocket limits that will help ensure that families don't go bankrupt because of illness. And we have agreed that our health reform bill will include dramatic measures to cut costs while improving quality.

Each of these bills improves oversight while cracking down on waste. Each will help reduce unwarranted giveaways to insurance companies in Medicare. And each of these bills will provide incentives so that patients get the best care, not just the most expensive care.

The consensus that we've forged is not limited to Congress. Indeed, we've forged a level of consensus on health care that has never been reached in the history of this country. Health care providers have agreed to do their part to reduce the road of—the rate of growth in health care spending. The pharmaceutical industry has agreed to spending reductions that will make prescription drugs more affordable for seniors. Hospitals have agreed to bring down costs. The American Nurses Association and the American Medical Association, who represent millions of nurses and doctors who know our health care system best, have announced their support for reform.

So we have traveled long and hard to reach this point. I know that we have further to go. But I have to say that the American people are absolutely clear that this won't be easy but that the road that we have traveled doesn't just stretch back through the 6 months of my administration, it stretches back year after year, decade after decade, through all the times that Washington has failed to tackle this problem.

Time and again, we've heard excuses to delay and defeat reform. Time and again, the American people have suffered because people in Washington played the politics of the moment instead of putting the interests of the American people first. That's how we ended up with premiums rising three times faster than wages. That's how we ended up with businesses choosing between shedding benefits and shutting their doors. That's how we've been burdened with runaway costs and huge gaps in coverage.

That's the status quo. That's what we have right now. And the American people understand that the status quo is unacceptable. They don't care who's up or who's down politically in Washington; they care about what's going on in their own lives. They don't care about the latest line of political attack; they care about whether their families will be crushed by rising premiums, whether the businesses they work for will have to cut jobs, or whether their children are going to be saddled with debt.

So I understand that some will try to delay action until the special interests can kill it, while others will simply focus on scoring political points. We've done that before. And we can choose to follow that playbook again, and then we'll never get over the goal line, and we'll face an even greater crisis in the years to come. That's one path we can travel.

Or we can come together and insist that this time it will be different. We can choose action over inaction. We can choose progress over the politics of the moment. We can build on the extraordinary common ground that's been forged, and we can do the hard work needed to finally pass the health insurance reform that the American people deserve.

And I can guarantee you that when we do pass this bill, history won't record the demands for endless delay or endless debates in the news cycle, it will record the hard work done by the Members of Congress to pass the bill and the fact that the people who sent us here to Washington insisted upon change. That's the work that we've come here to do, and I look forward to working with Congress in the days ahead to getting the job done.

Thank you, everybody.

NOTE: The President spoke at 12:50 p.m. in the Rose Garden at the White House.

*Categories:* Addresses and Remarks : Health care reform.

*Locations:* Washington, DC.

*Names:* Gates, Robert M.; Levin, Carl; McCain, John.

*Subjects:* Afghanistan : U.S. military forces :: Deployment; Armed Forces, U.S. : Funding; Budget, Federal : Deficit; Congress : Bipartisanship; Defense, Department of : Budgetary discipline; Defense, Department of : Defense contracts :: Contracting policies, reform; Defense, Department of : Defense contracts :: Cost overruns; Defense, Department of : Secretary; Health and medical care : Cost control reforms; Health and medical care : Health insurance, protection of coverage; Health and medical care : Insurance coverage and access to providers; Health and medical care : Medicare and Medicaid; Health and medical care : Prescription drugs, purchasing efficiency; Health and medical care : Preventive care and public health programs; Iraq : U.S. military forces :: Deployment; Medical Association, American; Nurses Association, American.

*DCPD Number:* DCPD200900587.